

Unsettled Tonight.
Wednesday Fair.

The Washington Times

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CONSTRUCTIVE LEGISLATION IS HIS ARGUMENT

George W. Perkins Analyzes
the Relations of Law
and Business.

QUESTIONS THAT SEEK ANSWERS

The Relative Merits of Co-operation
and Competition in Promoting
Commercial Welfare.

One of the best, and by far the most complete, explanations of the attitude of capital toward present commercial legislation, is contained in an address by George W. Perkins, who is today testifying before the Stanley committee, and because of this was unable to be in Houghton, Mich., last evening, where he was to have addressed the Michigan College of Mines on "Wanted—A Constructive National Policy." Mr. Perkins' address, in his absence, was read by President McNair.

Because his argument is certain to attract wide attention, and be the subject of general comment, both on the part of legislators and business men, and because of its inherent importance in the present situation, The Times is printing it in full as follows:

Enforcement Neglected.

It is a matter of common knowledge among our people that our National Congress enacts our national laws; that our executive officers are sworn to enforce such laws, and that our Supreme Court is sworn to interpret those laws in case of differences. It is likewise a matter of common knowledge that twenty or more years ago our National Congress passed a law that was intended to put barriers in the way of plans that business men were undertaking for the further upbuilding and extension of our commerce, and the United States—plans that, in the judgment of these men, were essential and which would ultimately operate for the greatest good of the greatest number. It is a matter of common knowledge that the enforcement of this law was almost, if not quite, neglected for a number of years, during which period business men were allowed to proceed with their plans. It is a matter of common knowledge that during the last eight or ten years some of our executives, who are sworn and in honor bound to enforce the laws as they find them, have endeavored to enforce this law, and, while doing so, studying its effects and seeing its operation, have openly raised the question as to whether it should not be amended.

While many of our members of Congress have been loudly calling for a literal enforcement of this law by the Executive, our people have been told that what they were suffering from were evil practices by large corporations, and that one of the chief reasons why the practices were evil was because the corporations were very large. At last this question reached our Supreme Court and that court has held that a company is not necessarily illegal because it is large. Our business men East and West, North and South, in constantly increasing numbers have expressed their opinion that our country cannot prosper and develop as it should while this old law is in existence.

Why this strange, inconsistent situation? It seems to me that the reason is found in the men we have sent to our National Congress. Up to the close of

(Continued on Third Page.)

WEATHER REPORT

FORECAST FOR THE DISTRICT.
Unsettled this afternoon and tonight;
Wednesday fair. Not much change in temperature.

TEMPERATURES.	
U. S. BUREAU.	AFLECK'S.
8 a. m. 73	8 a. m. 73
9 a. m. 75	9 a. m. 75
10 a. m. 77	10 a. m. 77
11 a. m. 78	11 a. m. 78
12 noon 78	12 noon 78
1 p. m. 81	1 p. m. 81
2 p. m. 85	2 p. m. 85

TIDE TABLE.
Today—High tide, 6:45 a. m. and 7:26 p. m.; low tide, 12:59 a. m. and 1:35 p. m.
Tomorrow—High tide, 7:30 a. m. and 8:06 p. m.; low tide, 1:40 a. m. and 2:14 p. m.

SUN TABLE.
Rises.....5:06 | Sets.....7:04

Asks Better Laws



GEORGE W. PERKINS,
Who Makes Plea For Constructive Legislation.

TAFT MAKES SHIFT OF DIPLOMATS AT FOREIGN CAPITALS

Appointments Necessitated
By Resignation of Hill
Are Announced.

President Taft today announced the long-expected diplomatic appointments, following the vacancy at the Berlin embassy caused by Dr. David Jayne Hill's resignation. The nominations today sent to the Senate are:

John G. A. Leshman, of Pennsylvania, ambassador to Germany.
Thomas J. O'Brien, of Michigan, ambassador to Italy.
Charles Page Bryan, of Illinois, ambassador to Japan.
Larz Anderson, of the District of Columbia, minister to Belgium.
John Ridgely Carter, of Maryland, minister to Argentine Republic.
John B. Jackson, of New Jersey, minister to the Balkan States.
Arthur M. Beaupre, of Illinois, minister to Cuba.
Lloyd Bryce, of New York, minister to the Netherlands.

But Two New Men.
All of today's appointments are either promotions or changes, except those of Larz Anderson and Lloyd Bryce. These two new diplomats are taken from private life and given legations.

The surprise of the announcement today is the fact that Minister Sherrill, now at Argentina, and who was mentioned as the possible successor of Dr. Hill at Berlin, is left out of the list entirely.

Whether or not Mr. Sherrill, who comes from Washington, is being held in reserve for some other position, was not indicated at the White House today. All that is known positively is that Mr. Sherrill is out and is not at present provided for.

Mr. Leshman, who goes to Berlin, has been ambassador at Italy since 1909. He has been in the diplomatic service since 1897, when he was given the post as minister at the Netherlands.

By transferring Mr. Leshman from Rome, Ambassador O'Brien, now of Tokyo, is moved west and given the embassy to Italy. He was at one time minister at Denmark, and was sent to

(Continued on Second Page.)

TAFT APPROVES BILL FOR LARGER HOUSE

Reapportionment Measure Goes
Back With Taft's
Signature.

President Taft signed the second important measure of the present session of Congress today. He affixed his signature to the reapportionment bill, increasing the membership of the House of Representatives to 435.

Reapportionment and reciprocity are the only two measures of consequence that have been sent to the White House. Both were given unqualified approval. The reapportionment bill was received at the Executive offices late yesterday, but the absence of the President made it impossible to sign it before this morning. Soon after the Executive arrived at his office this morning, however, he read the bill, and, finding it O. K., signed and returned it to Congress.

LAFFERTY SAYS HE NEVER WROTE TO OTHER GIRLS

Denies Seeking By Letters
Introduction to Any Other
Young Women.

TAKES BACK STORY OF STATIONERY

Says Now He Was Mistaken In
Thinking Kubel's Threat
Came From Oregon.

Letters showing that Representative A. W. Lafferty pleaded with S. J. Kubel not to expose the fact that he had written to Mr. Kubel's nineteen-year-old daughter, Florence, asking if an introduction could not be arranged, are being withheld by Mr. Kubel. They are said to show that Mr. Lafferty's spirit of chivalry, in which he declared, "I would rather be dead than be a coward," was not continuous, and that in reality he pleaded most humbly for clemency, saying he would rather do anything than have Minority Leader Mann become advised of his act in sending the letter and tickets to the House gallery to a young woman he had never met.

Calls Him a Poor Liar.

Mr. Kubel in refusing to make public the letters of apology in which Mr. Mann's name is used, said:

"All I can say is that Mr. Lafferty is a poor liar. When I became aware that my daughter had received a letter from this man I went to his office and showed him the letter. I intended to trounce him, but he pleaded so that I could not hit him. Besides, he denied then that he ever wrote the letter, blaming it on the boys in his office. Of course, I never believed that, but since then he has admitted that it was a lie."

Concerning the report that Lafferty had made trips to Eastern High School at dismissal time until he got to know Miss Kubel by sight, Mr. Kubel said that if he had been advised of that at the time he most surely would have taken the Representative to task.

Miss Kubel showed the letter to some of her friends at school, and it was reported that some of them, out of love for excitement, had invited her to Mr. Lafferty. Mr. Lafferty today denied that he had received any communication from high school girls, but says that since the affair has been given publicity several women have called him up and assured him that they "would stick by him."

May Have Sent Tickets.

Concerning the report from Portland, Ore., that letters similar to the one sent by Mr. Lafferty to Miss Kubel had been received from him by school girls in Portland, Mr. Lafferty today replied: "I don't think I have written any school girls there. Still," he paused—"I might have sent some House gallery tickets to them. If I did they were all to young ladies I knew. I have never attempted to make any acquaintances there in the manner I did Miss Kubel's."

A printed article, taken from a Western paper, stating that Mr. Lafferty had been arrested in his home State for introducing a married woman on the street, was shown to the Representative. "I most certainly deny the truth of that statement," said Mr. Lafferty, "and I challenge anyone to produce a policeman who will say he ever arrested me on any charge."

Reports were current around the House Office Building that Mr. Lafferty "franked" his long telegraphic replies to the Western press, but by way of disproving this claim he produced a bill for one telegram to a Western paper, showing it has cost him \$1.00. "Many of the Representatives have been in to see me and to assure me that they will stand by me in this matter," said Mr. Lafferty today. "Champ Clark, Jr., was in the office this morning, and he pledged his help. He told me that he was personally acquainted with Miss Kubel and with her father."

Born In Missouri.

"I was born in Speaker Clark's district in Missouri, and he is largely responsible for my being here as a Representative. When I was in the Government service he suggested that I go West and run for Congress. I moved to Washington, and was successful at the last election. Speaker Clark has been very good to me and has done what he could for me among the politicians. I disliked having this matter given publicity as much on this account as on account of myself."

Mr. Lafferty presented a telegram from his brother, F. A. Lafferty, from Portland, Ore., in which he stated that his political strength there had not been shattered by the "derogatory" statements.

The statement made by Mr. Lafferty that Mr. Kubel's threatening letter was probably written by his enemies in the West, owing to the fact it was written on a brand of paper made in Portland, was withdrawn today. When convinced that he had been mistaken in the water mark, he said:

"Well, then the supposition of mine was incorrect. I do know, however, that the railroads are fighting me in every possible way, and have been especially active in their pursuit since I delivered my anti-railroad address on the floor of the House the other day."

Under Fire Owing to Letter to Girl



REP. A. W. LAFFERTY

Alleged to Have Written to Miss Florence Kubel After Seeing Her Picture
In a Newspaper.

INCREASED SERVICE ORDERED ON LOCAL STREET CAR LINES

Interstate Commerce Commission Issues Rules Regarding Schedules.

Additional service on three local street railway lines was ordered by the Interstate Commerce Commission today.

All three lines affected are operated by the Washington Railway and Electric Company.

A fourth order was issued suspending the one-minute headway schedule on the Fourteenth street line of the Capital Traction Company from August 7 to September 15. The company asked relief from the one-minute headway schedule for the vacation months.

The three lines ordered to give additional service are the Anacostia line, the Maryland, and the line running to Brookland.

A suspension order recently was granted the Washington Railway and Electric Company suspending the winter schedules on these lines, but it was found by Chairman Eddy and the District Railway Commission that the company cut the schedules to such an extent that adequate service was not provided during the rush hours. In consequence of this action by the committee new schedules have been ordered, which in two instances call for more frequent service than was given under the original orders.

Falls Church Line Change.

On the suggestion of the local commission, and without an order, the Washington and Virginia railway has given additional service to Falls Church during the evening rush hour. The Falls Church line has run a fifteen minute schedule, but the 5:15 car was always greatly overcrowded. The company will run an additional car at 5:15, it being inadvisable to change the existing schedule. The additional car will carry for the rush hour.

Prior to July 15, the City and Suburban Railway and the Washington Railway and Electric Company were under orders of the Interstate Commerce Commission, operating cars on the Maryland line, from Fifteenth and G streets, to the District line, and from Fifteenth and G street, to North Capitol and W streets on the Brookland line on a two-and-a-half-minute headway schedule. The schedule was suspended July 15, because of the vacation and early closing period, but the railway commission found that the 2:30 minute schedule between the hours of 4:30 and 5:30 put in operation by the companies affected, was insufficient. It was for this reason that the new order for a two-and-a-quarter-minute headway schedule was issued.

On Anacostia Line.

The same conditions held true on the Anacostia line. Schedules were suspended, and the railway company reduced the service to such an extent that it was totally inadequate. The new order calls for a headway between cars not greater than five minutes between the hours of 4:30 and 5:30, and not greater than three minutes between the hours of 5:30 and 6:30.

NAVY YARD SIGHTS STIR TOGO TO FIRST SHOW OF INTEREST

Japanese Sea Fighter Opens
His Eyes Wide When He
Sees Great Shops.

Big fourteen-inch guns, models of battleships, and the entire working of Uncle Sam's big naval and ordnance plant at the Washington Navy Yard, called to the sea-brown face of Admiral Togo today the first sign of active interest which he has evinced since coming to Washington.

As the guest of Commandant Beatty, he visited the yard this morning, as part of an automobile trip which took him to the Library and to other public buildings.

After luncheon at the home of Huntington Wilson, Assistant Secretary of State, Admiral Togo this afternoon started for Arlington National Cemetery, and tonight he will be the guest of the acting Secretary of the Navy, Beekman Winthrop, at a dinner of sixty covers at the Metropolitan Club.

The admiral's trip to Arlington this afternoon will be a little journey of love, for he goes to do honor still flowers to the memory of Rear Admiral Charles S. Sperry, late of the United States navy, who took the ward circling fleet to Japan.

Became Friends.

At that time Admirals Togo and Sperry became fast friends, and the Japanese visitor, ever since he has been here, has desired to stand beside the grave of his friend.

When the admiral drove to the navy yard this morning, accompanied by Captain Fotts and several naval officers, he began to show real interest. From the time he passed the companies of marines drawn up at the gate to salute him as he entered, until he passed them again, to the boom of the nineteen guns—the admiral's salute—at noon, he was actively pleased with what he saw.

He lingered long in the "model basin," where the Bureau of Construction tests the speed of the new ship, and when he went into the model shop he spent some time looking at the long wooden hulls of the new type of American battleships.

Visits Shops.

From there, through the gun carriage shops, the foundry, and the big shops, the naval party, all in their summer white uniforms, went, and when the tour of inspection was completed, the admiral and his retinue were the guests of Commander Beatty at his residence.

During the trip, Admiral Togo asked frequent questions, and seemed to thoroughly grasp the replies. Admiral Togo's stay in Washington is drawing to a close, and he will leave for Baltimore tomorrow morning. His last engagement will be filled tonight when he attends a reception to be tendered him at the Army and Navy Club following the Winthrop dinner.

STATEMENTS OF STANLEY MAKE PERKINS ANGRY

Declares Chairman's Declaration Regarding
Difficulty in Getting Records
Untrue.

POLITICAL CONTRIBUTIONS ARE DRAWN INTO THE INQUIRY

Next to the appearance of J. P. Morgan himself the most important witness who could be called before Stanley took the stand this morning in the person of George W. Perkins, former member of the Morgan firm and one of the most important men in the financial world.

With a member of the firm most prominently connected with the Steel trust before it, the committee went hammer and tongs into the internal history of the corporation, and sought by the most insistent questioning to develop relationships with political parties and friendly corporations and individuals.

Mr. Perkins and his attorneys occasionally objected to the line the questions followed, and several times there were passages that indicated a considerable degree of anger on the part of the witness, Mr. Bancroft, his attorney, and Mr. Lindabury, who represented the Steel company.

The most pointed exchange of compliments was when Mr. Stanley declared that he had had trouble in obtaining the book of records of the executive committee, and Mr. Perkins, raising his voice, said: "That isn't true," and pointing his finger at the accused, demanded: "Did we ever refuse to give you any book?"

PERMITTED TO GIVE EVIDENCE IN REBUTTAL

Prior to hearing the story of the "Romance of Steel" from George W. Perkins, former chief lieutenant of J. P. Morgan, the Stanley steel committee today gave the Steel trust permission to introduce rebuttal evidence to show that the Steel Corporation has not a monopoly of the iron ore of the country.

Richard V. Lindabury, counsel for the trust, asked that he be allowed to call witnesses to show that the Steel Corporation does not own 60 per cent of the iron ore and coal in the Birmingham ore field. He declared that Edwin C. Eckel, former iron expert of the United States Geological Survey, has found that the corporations only own 17 per cent of the Birmingham field, which property was acquired in the Tennessee Coal and Iron deal. Stanley announced that he would be glad to have any testimony from reputable sources. It was arranged that if the committee takes a recess upon the adjournment of Congress, the witnesses the Steel trust wishes to call will be heard some time in October.

While the committee and the Steel trust attorneys argued over technical details Mr. Perkins sat in the witness chair.

Perkins' Testimony.
"Beside Mr. Perkins sat Edgar A. Bancroft, counsel for the Harvester trust, of which Mr. Perkins is chairman of the finance company. The harvester trust, according to the committee, is controlled by the Steel trust.

Mr. Perkins in his opening testimony said that he became connected with J. P. Morgan & Co. shortly after the organization of the Steel trust. Prior to that time he was in the insurance business, he said, vice president of the New York Life Insurance Company.

"Who were the members of J. P. Morgan & Co. at that time?"
"J. P. Morgan, Robert Bacon, Charles Steele, E. T. Statesbury, and J. P. Morgan, Jr., are all I can remember," he answered.

"What members of the J. P. Morgan company were on the board of directors of the Steel corporation when it was organized?"
"Mr. Morgan, Robert Bacon and Charles Steele," he answered.

"What members of the Morgan firm are now on the board?"
"Yes, but I am no longer a member of J. P. Morgan & Co."

Talked With Schley.
"Mr. Schley testified in New York that he had a conversation with you as to the purchase of the T. C. and I. Company by the Steel corporation in 1907. Do you remember that?"
"Yes, we had several such conversations."

Mr. Perkins said that the question of helping out Moore and Schley, the firm which held T. C. and I. had been under discussion by the Morgan forces for several days. He related the visit of Lewis Cass Ledyard to the Morgan Library with the proposition that the Steel Trust take the T. C. and I. "Some one suggested that unless help was given Moore & Schley they would fail the next Monday. Financial difficulties had drained the resources of the various banks and trust companies. The main difficulty with Moore & Schley was that a large number of time loans which they had out on T. C. and I. were about to mature. They would be unable to pay these time loans and then their call loans would be called. For this reason, in order to relieve these desperate conditions, the Steel corporation was brought into the matter."

Mr. Perkins objected to saying that Schley tried to sell to the Steel trust in particular.

"A steel stock was in difficulties," he said, "and we went to a steel company. If it had been drygoods we would have gone to a drygoods house."

Stanley wanted to know why Schley went to Morgan for relief.

"Wasn't it because he was the controlling power in the Steel Corporation?"
"No, because he was the life-saver of those strained times."

Stanley then proceeded to show that from the first Morgan had been the big power in the Steel trust; that for weeks

Political Activities.

The committee then went after the political activities of the Steel trust. While Perkins, nervous and ill at ease, chewing his little red mustache, stuttered and failed to remember, Chairman Stanley nailed him down with the records of the Steel Trust's play in politics, set down in black and white in the books of the company. Perkins was forced to admit the reliability of the record.

Perkins' memory had been acting badly for some time when Stanley inserted the key to the huge padlock that secures the minutes of the executive committee of the Steel trust.

"I read from the minutes of a meeting on April 10, 1906," he said, "that the committee had referred to eminent lawyers, for an opinion as to the request of a 'leading politician' for a contribution to his campaign fund."

"Who was that leading politician?" asked Stanley.

"I can't remember," declared Perkins. Stanley then read from the minutes of the meeting of June 12, 1906, showing written opinions from Attorneys John C. Johnson, of Philadelphia, and David P. Watson, of Pittsburgh, to the effect that "this corporation has no right to make contributions, for political or charitable purposes."

"Do you remember that?" demanded Stanley.

"Volubly succeeded forgetfulness on Perkins' part for a few minutes. 'I can't remember that in detail. We

(Continued on Second Page.)

IN CONGRESS TODAY

SENATE.

Finance Committee hearings on cotton are brief as cotton men are not prepared to present their case. Cotton bill will be reported adversely tomorrow.

Latter hearing proceeded. Statehood bill debate resumed. Tariff outlook is uncertain. La Follette and Underwood hold conference.

HOUSE.

Representative Clark of Florida delivered a speech eulogistic of the resources of that State.

Representative Henry, from the Rules Committee, presented a resolution for the immediate consideration of District bills.

No quorum was present and Representative Mann demanded a roll call before taking up the resolution. The committee investigating the Dr. Wiley controversy continued its hearings. The Steel investigating committee continued its inquiry.

White House Callers.

SENATORS.

Representatives.

Boissard, La. Cullup, Ind.

Madison, Kas. Kahn, Cal.

Boomer, Mo. Powers, Ky.

Slemp, Va.

OTHER CALLERS.

Former Senator Carter.

IF YOU WERE SHOPPING THIS MORNING SEE PAGE 2